

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF WISCONSIN
MILWAUKEE DIVISION**

SIERRA CLUB,)	
)	
Plaintiff,)	
)	
vs.)	
)	Civil Action No. 2:10-cv-00835-LA
WISCONSIN POWER AND LIGHT)	
COMPANY,)	
)	
Defendant.)	

JOINT SETTLEMENT STATUS REPORT

Plaintiff, Sierra Club, by its counsel, David Bender and Pamela McGillivray, McGillivray Westerberg & Bender LLC, and Defendant, Wisconsin Power and Light Company, by its counsel, Robert R. Clark and Scott R. Alexander of Taft, Stettinius & Hollister, LLP, hereby submit the Parties' Joint Settlement Status Report in light of the Court's February 14, 2012 order.

SETTLEMENT STATUS REPORT

1. In the Parties' previous Joint Settlement Status Report (Dkt. No. 25), the Parties committed to filing a settlement status report with the Court by April 16, 2012 if no Consent Decree was submitted to the Court by that date. As a Consent Decree has not yet been filed, the Parties provide the following settlement status report.

2. As this Court has been previously made aware, the Sierra Club and WPL executed a Settlement Framework on December 16, 2011, which outlines the major provisions to be incorporated into an anticipated Consent Decree to be filed in this matter.

3. However, the Parties to this case are not in complete control of a potential settlement, or its timing, because the EPA is not a party to this case. While not a party in this litigation, EPA is an important party to any overall settlement because of its own enforcement activities related to the Nelson Dewey, Columbia, and Edgewater Generating Stations, and because it is required by statute to have a role in the settlement of citizen enforcement actions pursuant to 42 U.S.C. § 7604(c)(3). In addition, the Parties would prefer, if possible, that the EPA be a signatory/party to a comprehensive settlement related to all existing and potential claims related to the matters at issue.

4. As a result, WPL, EPA, and the Sierra Club have continued to diligently work toward resolving remaining issues with the goal of submitting a comprehensive settlement decree to this Court pursuant to the process set forth in 42 U.S.C. § 7413(g) and 7604(c)(3) in the near future.

5. The EPA has been very responsive with respect to all recent settlement efforts. The recent settlement activities undertaken have included multiple teleconferences, correspondence, and an in-person meeting that occurred at EPA Headquarters in Washington D.C. on March 2, 2012 with representatives from WPL, the co-owners of the generating units at issue, the Sierra Club, EPA, and the U.S. Department of Justice.

6. As a result of these settlement efforts, significant progress has been made in narrowing and/or resolving many of the remaining issues.

7. WPL (and the co-owner representatives of the generating units at issue) presented their most recent comprehensive settlement proposal to EPA on April 11, 2012. EPA has indicated agreement with most aspects of the Proposal. However, some additional work remains to be done on a very small number of issues with respect to potentially reaching a comprehensive settlement.

8. Consequently, the Parties respectfully request that this Court continue to stay all case management deadlines so that the Parties and EPA may finalize and file a proposed Consent Decree. The Parties shall file a Settlement Status Report with the Court by July 15, 2012 if no Consent Decree is filed by that date.

Respectfully submitted,

/s/ Robert R. Clark

Robert R. Clark, No. 3488-49

Scott R. Alexander, No. 16345-49

TAFT STETTINIUS & HOLLISTER
One Indiana Square, Suite 3500
Indianapolis, IN 46204
317/713-3500

Bruce A. Schultz
COYNE SCHULTZ BECKER & BAUER
150 E. Gilman St., Suite 1000
Madison, WI 53703
608/255-1388

/s/ David C. Bender

David C. Bender

Christa Westerberg

Pamela R. McGillivray

McGillivray Westerberg & Bender
211 S. Paterson Street, Suite 320
Madison, WI 53703

Robert Ukeiley
Law Office of Robert Ukeiley
435 R Chestnut St., Suite 1
Berea, KY 40403

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